

**CITY OF ROUND ROCK**  
**REQUEST FOR PROPOSAL**  
**AUDITING SERVICES**

**PART I**

**GENERAL**

1. **PURPOSE:** The City of Round Rock, herein after "City", seeks an agreement with a qualified Individual, Firm, or Corporation, hereafter referred to as "Respondent", to audit its financial statements for the fiscal year ending September 30, 2012, and for each of the four (4) subsequent fiscal years. These audits are to be performed in accordance with generally accepted auditing standards, the standards set forth for financial audits in the General Accounting Office's (GAO) *Government Auditing Standards*, latest revision, the provisions of the federal Single Audit Act of 1984 (as amended in 1996) and U.S. Office of Management and Budget (OMB) Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*.
2. **DEFINITIONS, TERMS AND CONDITIONS:** By submitting a response to this solicitation, the Respondent agrees that the City's standard Definitions, Terms and Conditions, in effect at the time of release of the solicitation, shall govern unless specifically provided otherwise in a separate Agreement or Letter of Engagement or on the face of a purchase order. Said Definitions, Terms and Conditions are subject to change without notice. It is the sole responsibility of Respondents to stay apprised of changes. The City's Definitions, Terms and Conditions can be obtained from the City's website <http://www.roundrocktexas.gov/home/index.asp?page=463>.
3. **INSURANCE:** The Respondent shall meet or exceed ALL insurance requirements set forth by the Insurance Requirements as identified on the City's website at <http://www.roundrocktexas.gov/home/index.asp?page=463>.
  - 3.1. In addition, the Respondent shall obtain and maintain an errors and omissions insurance policy providing a prudent amount of coverage for the willful or negligent acts, or omissions of any officers, employees or agents thereof and shall continue to maintain the insurance policy in full force and effect during the term of an agreement entered into as a result of this solicitation.
4. **ATTACHMENTS:** Attachments A through C are herein made a part of this solicitation:
  - 4.1. Attachment A: Reference Sheet
  - 4.2. Attachment B: Organizational Chart
  - 4.3. Attachment C: Estimated Hours and Fees for Services
5. **CLARIFICATION:** For questions or clarifications of specifications, you may contact:

**Howard Baker**  
**Purchasing Department**  
**City of Round Rock**  
**Telephone: 512-218-5455**  
**howardb@round-rock.tx.us**

The individual listed above may be contacted by telephone or visited for clarification of the specifications only. No authority is intended or implied that specifications may be amended or alterations accepted prior to solicitation opening without written approval of the City of Round Rock through the Purchasing Department.

6. **EX PARTE COMMUNICATION:** Please note that to insure the fair evaluation of a solicitation, the City prohibits ex parte communication (e.g., unsolicited) initiated by the Respondent to a City representative evaluating or considering the solicitations prior to the time a decision has been made. Communication between Respondent and the City will be initiated by the appropriate City designee in order to obtain information or clarification needed to develop an accurate evaluation of the solicitation. Ex parte communication may be grounds for disqualifying the offending Respondent from consideration for award.
7. **QUALIFICATIONS:** The opening of a solicitation shall not be construed as the City's acceptance of such as qualified and responsive. All Respondents shall:
  - 7.1. Be firms, corporations, individuals or partnerships normally engaged in the sale and distribution of commodity or provision of the services as specified herein.
  - 7.2. Have adequate organization, facilities, equipment and personnel to ensure prompt and efficient service to the City.
  - 7.3. Provide a representative list of services of a scale and complexity similar to the services being considered by the City. The list shall include the location, client, services provided by your firm, term of services and an owner contact name.
  - 7.4. Respondent shall identify key project staff, task leaders and sub-contractors along with their expected services to the City for the scope of work on behalf of the firm. Resumes shall be included for each of the individuals and sub-contractors referenced which demonstrate their qualifications to satisfy all the critical and service requirement areas. The City reserves the right to approve or disapprove all sub-contractors.
  - 7.5. Provide the name, address, telephone number and **E-MAIL** of at least three (3) firms applicable to Municipal and/or Government projects that have utilized similar service for at least (two) 2 years. City of Round Rock references are not applicable. References may be checked prior to award. Any negative responses received may result in disqualification of submittal. **NOTE: REFERENCE FORM (ATTACHMENT A) PROVIDED. E-MAIL ADDRESSES ARE REQUIRED.**
8. **BEST VALUE EVALUATION AND CRITERIA:** Respondents may be required to make an oral presentation to the selection team to further present their qualifications. These presentations will provide the Respondent the opportunity to clarify their proposal and ensure a mutual understanding of the services to be provided and the approach to be used.

All solicitations received may be evaluated based on the best value for the City. In determining best value, the City may consider:

  - 8.1. Purchase price and terms;
  - 8.2. Reputation of Respondent and of Respondent's goods and services;
  - 8.3. Quality of the Respondent's goods and services;
  - 8.4. The extent to which the goods and services meet the City's needs;
  - 8.5. Respondent's past relationship with the City;
  - 8.6. The total long-term cost to the City to acquire the Respondent's goods or services;
  - 8.7. Any relevant criteria specifically listed in the solicitation.
  - 8.8. The City reserves the right to reject any or all responses, or delete any portion of the response, or to accept any response deemed most advantageous, or to waive any irregularities or informalities in the response received that best serves the interest and at the sole discretion of the City.

9. **AGREEMENT TERM:**

- 9.1. The initial term of the resulting agreement shall be five (5) consecutive twelve (12) month periods from the effective date. The agreement may be renewed for five (5) additional periods of time, not to exceed twelve (12) months each, provided both parties agree in writing.
- 9.2. The City reserves the right to review the Respondents' performance at the end of each twelve (12) month period and cancel all or part of the agreement or continue the agreement through the next period.
- 9.3. The City will require a Letter of Engagement executed annually prior to the beginning of each succeeding twelve (12) months term.
- 9.4. If the Respondent fails to perform its duties in a reasonable and competent manner, the City shall give written notice to the Respondent of the deficiencies and the Respondent shall have thirty (30) days to correct such deficiencies. If the Respondent fails to correct the deficiencies within the thirty (30) days, the City may terminate the agreement or letter of engagement by giving the Respondent written notice of termination and the reason for the termination.
- 9.5. If the agreement or Letter of Engagement is terminated, for any reason, the Respondent shall turn over all records, to include but not be limited to the following: records of services, deliverables, and transactions, to the City within fifteen (15) working days after completion of duties contained in the agreement or letter of engagement.

10. **AWARD:** The City reserves the right to enter into an Agreement or a purchase order with a single award, split awards, non-award, or use any combination that best serves the interest and at the sole discretion of the City. Award announcement will be made upon City Council approval of staff recommendation and executed an Agreement. Award announcement will appear on the City's website at <http://www.roundrocktexas.gov/home/index.asp?page=463>.

11. **PROMPT PAYMENT POLICY:** Payments will be made in accordance with the Texas Prompt Payment Law, Texas Government Code, Subtitle F, Chapter 2251. The City will pay Vendor within thirty days after the acceptance of the supplies, materials, equipment, or the day on which the performance of services was completed or the day, on which the City receives a correct invoice for the supplies, materials, equipment or services, whichever is later. The Vendor may charge a late fee (fee shall not be greater than that which is permitted by Texas law) for payments not made in accordance with this prompt payment policy; however, this policy does not apply to payments made by the City in the event:

- 11.1. There is a bona fide dispute between the City and Vendor concerning the supplies, materials, services or equipment delivered or the services performed that causes the payment to be late; or
- 11.2. The terms of a federal agreement, grant, regulation, or statute prevent the City from making a timely payment with Federal Funds; or
- 11.3. There is a bona fide dispute between the Vendor and a sub-contractor or between a sub-contractor and its suppliers concerning supplies, material, or equipment delivered or the services performed which caused the payment to be late; or
- 11.4. The invoice is not mailed to the City in strict accordance with instructions, if any, on the purchase order or letter of engagement or other such contractual letter of engagement.

12. **NON-APPROPRIATION:** The resulting Agreement is a commitment of the City's current revenues only. It is understood and agreed the City shall have the right to terminate the Agreement at the end of any City fiscal year if the governing body of the City does not appropriate funds sufficient to purchase the estimated yearly quantities, as determined by the City's budget for the fiscal year in question. The City may affect such termination by giving Vendor a written notice of termination at the end of its then current fiscal year.

13. **INTERLOCAL COOPERATIVE CONTRACTING (PIGGYBACK)**: Other governmental entities may be extended the opportunity to purchase off of the City's Agreement with the consent of the awarded vendor(s) and the City. Such consent and Agreement shall be conclusively inferred from lack of exception to this clause in a Respondent's submittal. However, all parties indicate their understanding and hereby expressly agree that the City is not an agent of, partner to, or representative of those outside agencies or entities and that the City is not obligated or liable for any action or debts that may arise out of such independently-negotiated "piggyback" procurements.

## **PART II**

### **SCHEDULE**

1. **SOLICITATION SCHEDULE**: It is the City's intention to comply with the following solicitation timeline:

- |   |                          |
|---|--------------------------|
| 1.1. Solicitation released                            | <b>February 3, 2012</b>  |
| 1.2. Deadline for questions                           | <b>February 14, 2012</b> |
| 1.3. City responses to all questions or addendums     | <b>February 21, 2012</b> |
| 1.4. Responses for solicitation due by <b>3:00 PM</b> | <b>March 6, 2012</b>     |

**All questions regarding the solicitation shall be submitted in writing by 5:00 PM on the due date noted in PART II, Paragraph 1, sub-paragraph 1.3.** A copy of all the questions submitted and the City's response to the questions shall be posted on our webpage, <http://www.roundrocktexas.gov/home/index.asp?page=463>. Questions shall be submitted to the City contact named in PART I, Paragraph 5.

The City reserves the right to modify these dates. Notice of date change will be posted to the City's website.

2. **SOLICITATION UPDATES**: Respondents shall be responsible for monitoring the City's website at <http://www.roundrocktexas.gov/home/index.asp?page=463> for any updates pertaining to the solicitation described herein. Various updates may include addendums, cancelations, notifications, and any other pertinent information necessary for the submission of a correct and accurate response. The City will not be held responsible for any further communication beyond updating the website.
3. **RESPONSE DUE DATE**: Signed and sealed responses are due no later than **3:00 PM**, on the date noted above to the Purchasing Department. Mail or carry sealed responses to:

**City of Round Rock  
Purchasing Department  
221 E. Main Street  
Round Rock, Texas 78664-5299**

- 3.1. Responses received after this time and date shall not be considered.
- 3.2. Sealed responses shall be clearly marked on the outside of packaging with the Solicitation title, number, due date and **"DO NOT OPEN"**.
- 3.3. Facsimile or electronically transmitted responses are **not acceptable**.
- 3.4. Late responses will be returned to Respondent unopened if a return address is provided.

4. **AGREEMENT NEGOTIATIONS:** In establishing an agreement as a result of the solicitation process, the City may:
  - 4.1. Review all submittals and determine which Respondents are reasonably qualified for award of the agreement.
  - 4.2. Determine the Respondent whose submittal is most advantageous to the City considering the evaluation criteria.
  - 4.3. Attempt to negotiate with the most responsive Respondent an agreement at fair and reasonable terms, conditions and cost.
  - 4.4. If negotiations are successful, enter into an agreement.
  - 4.5. If not successful, formally end negotiations with that Respondent. The City may then:
    - 4.5.1. Select the next most highly qualified Respondent and attempt to negotiate an agreement at fair and reasonable terms, conditions and cost with that Respondent.
    - 4.5.2. The City shall continue this process until an agreement is entered into or all negotiations are terminated.
  - 4.6. The City also reserves the right to reject any or all submittals, or to accept any submittal deemed most advantageous, or to waive any irregularities or informalities in the submittal received.
5. **POST AWARD MEETING:** The City and Respondent shall have a post award meeting to discuss, but not be limited to the following:
  - 5.1. Provide City contact(s) information for implementation of an Agreement and Letter of Engagement.
  - 5.2. Agreement terms and conditions.
  - 5.3. Letter of Engagement terms, conditions, and Scope of Work for each year.
  - 5.4. Identify specific milestones, goals and strategies to meet objectives.

### **PART III**

#### **SPECIFICATIONS**

1. **SCOPE OF WORK:** The Respondent shall provide the following auditing services, and in accordance with generally accepted auditing standards as set for by the American Institute of Certified Public Accountants (AICPA), U.S. GAO *Government Auditing Standards*, latest revision, the provisions of the federal Single Audit Act of 1984 (as amended in 1996) and U.S. OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*:
  - 1.1. Express an opinion on the fair presentation of the City's basic financial statements in conformity with generally accepted accounting principles.
  - 1.2. Express an opinion on the fair presentation of its combining and individual fund financial statements and schedules in conformity with generally accepted accounting principles. The Respondent is not required to audit the supporting schedules contained in the comprehensive annual financial report (CAFR). However, the Respondent shall provide an "in-relation-to" opinion on the supporting schedules based on the auditing procedures applied during the audit of the basic financial statements and the combining and individual fund financial statements and schedules. The Respondent is not required to audit the introductory section of the report or the statistical section of the CAFR.
  - 1.3. Perform certain limited procedures involving required supplementary information required by the Governmental Accounting Standards Board as mandated by generally accepted auditing standards.

- 1.4. The Respondent shall audit the schedule of expenditures of federal awards to City.
2. **BACKGROUND:** The City serves an area of approximately 28 square miles with a population over 100,000. The City's fiscal year begins on October 1 and ends on September 30.
- 2.1. The services provided by the City under general governmental functions include police and fire protection, street maintenance, public improvements, planning and zoning, parks operation and maintenance, library services, and administrative services necessary to serve the citizens of Round Rock. In addition, water and wastewater services are operated under an Enterprise Fund concept, with user charges set to ensure adequate coverage of operating expenses and payments on outstanding debt.
- 2.2. The City has a total biweekly payroll of approximately \$1,500,000 covering 835 employees.
- 2.3. The City is organized into twenty-nine (29) departments and agencies. The accounting and financial reporting functions of the City are centralized.
- 2.4. More detailed information on the government and its finances can be found in the following documents:
- 2.4.1. 2011-2012 Budget
- 2.4.2. Comprehensive Annual Financial Report for the Year Ended September 30, 2010
- 2.5. All documents can be found on-line on the City's website, [www.roundrocktexas.gov](http://www.roundrocktexas.gov), and at the City's Library located at 216 East Main, Round Rock, Texas 78664.
3. **FUND STRUCTURE:** The City uses the following fund types and account groups in its financial reporting:

<u>Fund Type</u>	<u>Number of Individual Funds</u>
General Fund	1
Special revenue funds	12
Debt service funds	4
Capital projects funds	11
Enterprise funds-Utility	9
Enterprise funds-Golf	2
Internal service funds	1
Agency Funds	1

NOTE: Several of the above funds are combined for reporting purposes.

4. **BUDGETARY BASIS OF ACCOUNTING:** The City prepares its governmental fund type budgets on a basis consistent with generally accepted accounting principles.
5. **FEDERAL AND STATE FINANCIAL ASSISTANCE AWARDS:** During the fiscal year to be audited, the City received the following Federal and State Financial Assistance Awards:
- 5.1. U.S. Department of the Interior-Reclamation
- 5.2. U.S. Department of Homeland Security
- 5.3. U.S. Department of Energy
- 5.4. Federal Emergency Management Agency
- 5.5. Bureau of Justice Assistance
- 5.6. U.S. Department of Justice
- 5.7. U.S. Department of Housing & Urban Development
- 5.8. Texas Historic Commission

5.9. Texas State Library & Archives Commission

6. **PENSION PLANS:** The City provides pension benefits for all of its full time employees through a non-traditional, joint contributory, hybrid benefit plan in the state-wide Texas Municipal Retirement System (TMRS), an agent multiple-employer public employee retirement system.
7. **BLENDED COMPONENT UNIT:** A seven-member board appointed by the City Council governs the Round Rock Transportation System Corporation, an entity legally separate from the City. The City Council maintains budgetary control of the Corporation. For financial reporting purposes the Round Rock Transportation System Corporation is presented as a part of the City's operations. The revenues of the corporation and its administrative expenditures are accounted for in a special revenue fund; debt service is accounted for in the separate corporation debt service fund, while the capital improvements are accounted for in a capital projects fund.
- This component unit is to be audited as part of the audit of the City of Round Rock's financial statements.
8. **MAGNITUDE OF FINANCE OPERATIONS:** The Finance Department is headed by the Finance Director and consists of thirty-one (31) employees. The principal functions performed and the numbers of employees assigned to each are as follows:

<u>Function</u>	<u>Number of Employees</u>
Accounts Payable	5
Construction Improvement Projects	2
Purchasing	8
Payroll	2
Asset Management	1
Budget	2
Utility Accountant	1
Grants	2
Contract Management	1
Treasury/Banking	2
Controller	1
Manager	2
Director	1

9. **COMPUTER SYSTEMS:** The City utilizes the following systems for transactions:
- 9.1. Tyler Technology's Incode for the Utility Billing and Municipal Court Departments.
- 9.2. Highline System for Human Resources and Payroll Departments.
- 9.3. PeopleSoft for the financial functions.
10. **INTERNAL AUDIT FUNCTION:** The City does not have an internal audit staff.
11. **PRIOR AUDIT REPORTS:** All prior years' audit reports can be found on-line on the City's website, [www.roundrocktexas.gov](http://www.roundrocktexas.gov), and at the City's Library located at 216 East Main, Round Rock, Texas 78664.
12. **RESPONDENT REQUIREMENTS:** Respondent shall, at a minimum, address the following requirements:
- 12.1. Respondent is independent and licensed to practice in Texas.
- 12.2. Have an office located within a radius of 120 miles of the City of Round Rock.
- 12.3. No conflict of interest with regard to any other work performed by the firm for the City.

- 12.4. Respondent has performed one or more audits of Texas Municipalities in the past two (2) years.
  - 12.5. Prepared one or more CAFRs that have received the GFOA's Certificate of Achievement for Excellence in Financial Reporting.
  - 12.6. Demonstrate past experience and performance on comparable government engagements.
  - 12.7. Quality of respondent's professional personnel to be assigned to the engagement and the quality of management and support personnel to be available for technical consultation.
  - 12.8. Past experience of Respondent's professional personnel to be assigned to the engagement with the GFOA's Certificate of Achievement for Excellence in Financial Reporting.
  - 12.9. Past experience and performance with Single Audits and tests of compliance with laws and regulations.
  - 12.10. Perform additional services and provide technical support throughout the year, including new GASB pronouncements.
  - 12.11. Adequacy of proposed staffing plan for various segments of the engagement.
13. **TIME SCHEDULE:** The Respondent shall submit a timeline schedule for the 2011-2012 Fiscal Year Audit.
- 13.1. The Respondent shall submit for review and approval by the Finance Director and Controller, a schedule of audit functions as follows:
    - 13.1.1. Interim work start and completion dates. Historically, performed late July and early August of the year.
    - 13.1.2. A detailed audit plan and a list of all schedules and listing the assistance provided by the City shall be provided to the City by September 30 of the year audited.
    - 13.1.3. The Respondent shall use their best efforts to complete all fieldwork no later than December 31, 2012 and each subsequent year.
    - 13.1.4. The Respondent shall use their best efforts to have drafts of the audit reports, the CAFR and recommendations to management for review by the Finance Director no later than January 15, 2013 and each subsequent year.
    - 13.1.5. Entrance conferences, progress reporting and exit conferences shall be developed for audits of current and future fiscal years, provided, the City exercises its option for additional audits. Successful Respondent shall schedule them with the Finance Director and Controller.
14. **WORKING PAPER RETENTION AND ACCESS TO WORKING PAPERS:** All working papers and reports shall be retained, at the successful Respondent's expense, for a minimum of three (3) years, from completion of the audit, unless the firm is notified, in writing by the City, to extend the retention period. The successful Respondent shall make working papers accessible, upon request, to the following parties or their designees:
- 14.1. City of Round Rock
  - 14.2. State or Federal Grant Agencies
  - 14.3. U.S. General Accounting Office
  - 14.4. Parties designated by the federal or state governments or by the City as part of an audit quality review process
  - 14.5. Auditors of entities of which the City is a sub recipient of grant funds.



- 14.6. In addition, the Respondent shall respond to inquiries of successor auditors and allow successor auditors to review working papers related to matters of continuing accounting significance.
15. **CITY RESPONSIBILITIES:** The City will provide the following to the successful Respondent:
- 15.1. The Finance Department staff and responsible management personnel will be available during the audit to assist the successful respondent by providing information, documentation and explanations. The preparation of confirmations will be the responsibility of the City and the respondent. In addition, hours of clerical support, a total of which will be agreed upon by the Finance Director and Respondent, will be available to the Respondent for the preparation of routine letters and memoranda.
  - 15.2. City staff will prepare and provide, but not limited to, the following statements and schedules for the Respondent:
    - 15.2.1. Trial Balances
    - 15.2.2. Accounts Receivable Schedules
    - 15.2.3. Accounts Payable Schedules
    - 15.2.4. Payroll Schedules
    - 15.2.5. Fixed Asset Listing
    - 15.2.6. Asset Additions and Deletions
  - 15.3. The City will provide workspace, desks and chairs.
  - 15.4. The successful Respondent will have access to telephone lines, photocopying facilities and FAX machines.
  - 15.5. Long distance charges shall not be covered unless included in the cost of fee estimate as other charges.
16. **DELIVERABLES:** The successful Respondent shall provide, but not be limited, to the City the following reports:
- 16.1. A report on the fair presentation of the financial statements in conformity with generally accepted accounting principles.
  - 16.2. A report on internal control over financial reporting and on compliance and other matters based on an audit of the financial statements.
  - 16.3. A report on compliance with requirements that could have a direct and material effect on each major program and on internal control over compliance.
  - 16.4. In addition to the financial statements, Respondent shall prepare the City's Comprehensive Annual Financial Report (CAFR) with the assistance of the Controller and Finance Director. Respondent shall provide clerical assistance to the City regarding revision. The final CAFR document shall be in a format ready for printing and duplication.
17. **REPORT COMPLIANCE:** In the required report(s) on compliance and internal controls, the Auditor shall communicate any reportable conditions found during the audit.
- 17.1. Reportable conditions that are also material weaknesses shall be identified as such in the report(s). Non-reportable conditions discovered by the auditors shall be reported in a separate letter to management, which shall be referred to in the report(s) on compliance and internal controls.

- 17.2. The report on compliance and internal controls shall include all material instances of noncompliance. All nonmaterial instances of noncompliance shall be reported in a separate management letter, which shall be referred to in the report on compliance and internal controls.
- 17.3. Report(s) regarding irregularities and illegal acts shall be immediately sent, as they become evident, to the following parties: City Manager, Finance Director and Controller.
18. **SPECIAL CONSIDERATIONS:** The City will send its comprehensive annual financial report to the Government Finance Officers Association of the United States and Canada for review in their Certificate of Achievement for Excellence in Financial Reporting program. It is anticipated that the auditor will be required to provide special assistance to the City to meet the requirements of that program.
- 18.1. The City currently anticipates it will prepare one or more official statements in connection with the sale of debt securities, which will contain the auditor's report, the basic financial statements, the notes to the financial statements and the required supplementary information. The Auditor shall be required, if requested by the fiscal advisor and/or the underwriter, to issue a "consent and citation of expertise" as the Auditor and any necessary "comfort letters."
- 18.2. The Schedule of Expenditures of Federal Awards and related auditor's report, as well as the reports on compliance and internal controls are not to be included in the comprehensive annual financial report, but are to be issued separately.
19. **FINAL REPORT:** The successful Respondent shall prepare the final draft financial statements, notes and all required supplementary schedules and statistical data no later than January 31, 2013 and each subsequent year. The City will provide all recommendations, revisions and suggestions for improvement to the Respondent.

The Finance Director will complete a review of the draft report as expeditiously as possible. It is not expected that this process will exceed two (2) weeks. During that period, the Respondent shall be available for meetings that may be needed to discuss the reports. Once all issues for discussion are resolved, the final signed report shall be delivered to the Finance Director.

#### **PART IV**

##### **SUBMISSION REQUIREMENTS**

1. **SOLICITATION SUBMISSION REQUIREMENTS:** To achieve a uniform review process and obtain the maximum degree of comparability, the responses shall be organized in the manner specified below. Sealed responses shall be clearly marked on the outside of packaging with the Solicitation title, number, due date and "**DO NOT OPEN**". Responses shall be clear and concise and shall include at a minimum: title page, transmittal letter, index or table of contents, dividers for each section and all required attachments. Information in excess of those pages allowed may not be evaluated. One page shall be interpreted as one side of a double-spaced, printed, 8 1/2" X 11" sheet of paper. It is recommended that responses be submitted in ringed binders, metal spirals, or another bound format that best contains all required documentation for submission.

The Respondent shall submit one (1) original signed paper copy and five (5) copies, clearly identified as a "COPY" of its Response.

In addition, the Respondent shall submit one (1) CD or Jump Drive, each containing a complete copy of Respondent's submission in an acceptable electronic format (PDF, RTF, TXT, DOC, XLS). A complete copy of the Response includes all documents required by this Solicitation. The CD or Jump Drive shall be titled: "SOLICITATION NUMBER - Complete copy of [Name of Respondent]'s submission."

If supplemental materials are included with the Response, each CD or Jump Drive shall include such supplemental materials. The Response and accompanying documentation are the property of the City and will not be returned.

- 1.1. Title Page (1 page) – Show the solicitation title and number, the name of your firm, address, telephone number(s) name of contact person and date.

**TAB #1**

- 1.2. Letter of Transmittal (1 page) – Identify the services for which solicitation has been prepared.
- 1.2.1. Briefly state your firms understanding for the services to be performed and make a positive commitment to provide the services as specified.
  - 1.2.2. A statement of affirmation warranting compliance with State of Texas laws with respect to foreign (non-state of Texas) corporations.
  - 1.2.3. A statement of affirmation warranting responsibilities shall not be delegated or subcontracted without prior written permission of the City.
  - 1.2.4. A statement why the firm believes itself to be best qualified to perform the engagement and a statement that the response is a firm offer for the period stated.
  - 1.2.5. Provide the name(s) of the person(s) authorized to make representations for your firm, their titles, address, telephone numbers and e-mail address.
  - 1.2.6. The letter of each solicitation shall be signed in permanent ink by a corporate officer or other individual who has the authority to bind the firm. The name and title of the individuals(s) signing the solicitation shall be clearly shown immediately below the signature.

**TAB #2**

- 1.3. Table of Contents (1 page) – Clearly identify the materials by Tab and Page Number.

**TAB #3**

- 1.4. Previous Performance/Experience – Provide detailed information on firm and team experience with providing consultant services as described in the Scope of Work.
- 1.4.1. Respondent shall submit a copy of the report on its most recent external quality control review, with a statement whether that quality control review included a review of specific government engagements.
  - 1.4.2. Respondent shall also provide information on the results of any federal or state desk reviews or field reviews of its audits during the past three (3) years. In addition, Respondent shall provide information on the circumstances and status of any disciplinary action taken or pending against the Respondent during the past three (3) years with state regulatory bodies or professional organizations.
  - 1.4.3. List separately all engagements within the last five years, ranked on the basis of total staff hours, for the City by type of engagement (e.g.. audit, management advisory services, other). Indicate the scope of work, date, engagement partners, total hours, the location of the firm's office from which the engagement was performed, and the name and telephone number of the principal client contact.
  - 1.4.4. For the Respondent's office that will be assigned responsibility for the audit, list the most significant engagements (maximum - 5) performed in the last five years that are similar to the engagement described in this solicitation. These engagements shall be ranked on the basis of total staff hours. Indicate the scope of work, date, engagement partners, total hours, and the name and telephone number of the principal client contact.
  - 1.4.5. Attachment A: Reference Sheet.

**TAB #4**

- 1.5. Available Resources and Respondent Location – Provide information on size, resources and business history of the firm.
- 1.5.1. Respondent shall state the size of the firm, the size of the Respondent's governmental audit staff, the location of the office from which the work on this

engagement is to be performed and the number and nature of the professional staff to be employed in this engagement on a full-time basis and the number and nature of the staff to be so employed on a part-time basis.

- 1.5.2. If the Respondent is a joint venture or consortium, the qualifications of each firm comprising the joint venture or consortium shall be separately identified and the firm that is to serve as the principal auditor shall be noted, if applicable.

**TAB #5**

- 1.6. Qualifications – Respondent shall identify the project team and provide statement of qualifications for those individuals to include education, professional registrations and areas and years of service in the respective field.
- 1.6.1. Identify the principal supervisory and management staff, including engagement partners, managers, subcontractors, other supervisors and specialists, who would be assigned to the engagement. Indicate whether each such person is registered or licensed to practice as a certified public accountant in Texas. Provide information on the government auditing experience of each person, including information on relevant continuing professional education for the past three (3) years and membership in professional organizations relevant to the performance of this audit.
- 1.6.2. Provide as much information as possible regarding the number, qualifications, experience and training, including relevant continuing professional education, and specific experience related to GFOA Certificate of Achievement for Excellence in Financial Reporting, of the specific staff to be assigned to this engagement. Indicate how the quality of staff over the term of the agreement will be assured.
- 1.6.3. Engagement partners, managers, other supervisory staff and specialists may be changed if those personnel leave the firm, are promoted or are assigned to another office. These personnel may also be changed for other reasons with the express prior written permission of the City. However, in either case, the City retains the right to approve or reject replacements.
- 1.6.4. Consultants and firm specialists mentioned in response to this solicitation can only be changed with the express prior written permission of the City, which retains the right to approve or reject replacements.
- 1.6.5. Other audit personnel may be changed at the discretion of the Respondent provided that replacements have substantially the same or better qualifications or experience.

**TAB #6**

- 1.7. Methodology – Respondent shall define the method and approach to be used. The Response shall set forth a work plan, including an explanation of the audit methodology to be followed, to perform the services. In developing the work plan, reference shall be made to such sources of information as City budget and related materials, organizational charts, manuals and programs, and financial and other management information systems. Respondents shall provide the following information on their audit approach:
- 1.7.1. Proposed segmentation of the engagement
- 1.7.2. Level of staff and number of hours to be assigned to each proposed segment of the engagement
- 1.7.3. Sample size and the extent to which statistical sampling is to be used in the engagement
- 1.7.4. Extent of use of computer audit tools in the engagement
- 1.7.5. Type and extent of analytical procedures to be used in the engagement
- 1.7.6. Approach to be taken to gain and document an understanding of the City's internal control structure
- 1.7.7. Approach to be taken in determining laws and regulations that will be subject to audit

test work

- 1.7.8. Approach to be taken in drawing audit samples for purposes of tests of compliance
- 1.7.9. Approach and frequency to be taken regarding regular communications with the Director of Finance and Controller regarding the engagement status.
- 1.7.10. Identify and describe any anticipated potential audit problems, the firm's approach to resolving these problems and any special assistance that will be requested from the City.

**TAB #7**

- 1.8. Timeline – Respondent shall provide a detailed schedule of the complete project as per the specifications contained herein. See Part III paragraph 13.

**TAB #8**

- 1.9. Attachment C – Respondent shall include the cost proposal to provide services as described herein. Estimate shall be value engineered and the break-down shall include a not-to-exceed fee schedule for each aspect of the service.

**ATTACHMENT A**  
**RESPONDENT'S REFERENCE SHEET**

**PLEASE COMPLETE AND RETURN THIS FORM WITH THE SOLICITATION RESPONSE**

**SOLICITATION NUMBER:** \_\_\_\_\_

**RESPONDENT'S NAME:** \_\_\_\_\_ **DATE:** \_\_\_\_\_

Provide the name, address, telephone number and point of contact of at least three (3) firms applicable to Municipal and/or Government projects that have utilized similar service for at least two (2) years. City of Round Rock references are not applicable. References may be checked prior to award. Any negative responses received may result in disqualification of solicitation.

1. Company's Name \_\_\_\_\_  
Name of Contact \_\_\_\_\_  
Title of Contact \_\_\_\_\_  
Agreement Term \_\_\_\_\_  
E-Mail Address \_\_\_\_\_  
Present Address \_\_\_\_\_  
City, State, Zip Code \_\_\_\_\_  
Telephone Number (     )                      Fax Number: (     )

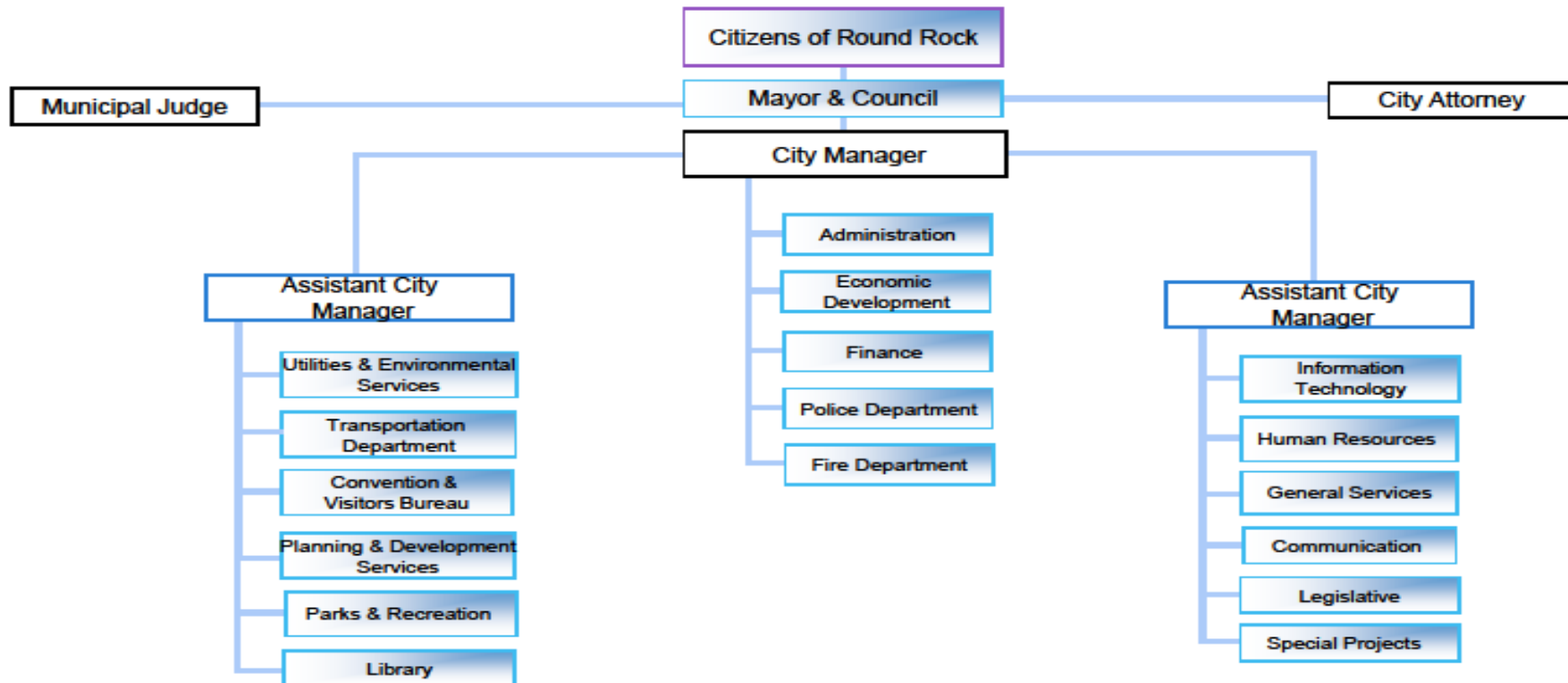
2. Company's Name \_\_\_\_\_  
Name of Contact \_\_\_\_\_  
Title of Contact \_\_\_\_\_  
Agreement Term \_\_\_\_\_  
E-Mail Address \_\_\_\_\_  
Present Address \_\_\_\_\_  
City, State, Zip Code \_\_\_\_\_  
Telephone Number (     )                      Fax Number: (     )

3. Company's Name \_\_\_\_\_  
Name of Contact \_\_\_\_\_  
Title of Contact \_\_\_\_\_  
Agreement Term \_\_\_\_\_  
E-Mail Address \_\_\_\_\_  
Present Address \_\_\_\_\_  
City, State, Zip Code \_\_\_\_\_  
Telephone Number (     )                      Fax Number: (     )

FAILURE TO PROVIDE THE REQUIRED INFORMATION WITH THE SOLICITATION RESPONSE MAY AUTOMATICALLY DISQUALIFY THE RESPONSE FROM CONSIDERATION FOR AWARD.

ATTACHMENT B  
CITY OF ROUND ROCK ORGANIZATIONAL CHART

City of Round Rock Organizational Chart - 2011



**ATTACHMENT C**  
**RESPONDENT ESTIMATED HOURS AND FEES FOR SERVICES**  
**FISCAL YEAR 2012**

**PLEASE COMPLETE AND RETURN THIS FORM WITH THE SOLICITATION RESPONSE**

**SOLICITATION NUMBER:** \_\_\_\_\_

**RESPONDENT'S NAME:** \_\_\_\_\_ **DATE:** \_\_\_\_\_

TITLE	ESTIMATED HOURS	HOURLY RATE	TOTAL (Hours X Rate)
PARTNERS	_____	_____	_____
MANAGERS	_____	_____	_____
SUPERVISORY STAFF	_____	_____	_____
STAFF	_____	_____	_____
OTHER (Please Specify)			
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____
TOTALS FOR FISCAL YEAR 2012	_____	_____	_____

FAILURE TO PROVIDE THE REQUIRED INFORMATION WITH THE SOLICITATION RESPONSE MAY  
AUTOMATICALLY DISQUALIFY THE RESPONSE FROM CONSIDERATION FOR AWARD.



**ATTACHMENT C**  
**RESPONDENT ESTIMATED HOURS AND FEES FOR SERVICES**  
**FISCAL YEAR 2013**

**PLEASE COMPLETE AND RETURN THIS FORM WITH THE SOLICITATION RESPONSE**

**SOLICITATION NUMBER:** \_\_\_\_\_

**RESPONDENT'S NAME:** \_\_\_\_\_ **DATE:** \_\_\_\_\_

TITLE	ESTIMATED HOURS	HOURLY RATE	TOTAL (Hours X Rate)
PARTNERS	_____	_____	_____
MANAGERS	_____	_____	_____
SUPERVISORY STAFF	_____	_____	_____
STAFF	_____	_____	_____
OTHER (Please Specify)			
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____
TOTALS FOR FISCAL YEAR 2013	_____	_____	_____

FAILURE TO PROVIDE THE REQUIRED INFORMATION WITH THE SOLICITATION RESPONSE MAY AUTOMATICALLY DISQUALIFY THE RESPONSE FROM CONSIDERATION FOR AWARD.

**ATTACHMENT C**  
**RESPONDENT ESTIMATED HOURS AND FEES FOR SERVICES**  
**FISCAL YEAR 2014**

**PLEASE COMPLETE AND RETURN THIS FORM WITH THE SOLICITATION RESPONSE**

**SOLICITATION NUMBER:** \_\_\_\_\_

**RESPONDENT'S NAME:** \_\_\_\_\_ **DATE:** \_\_\_\_\_

TITLE	ESTIMATED HOURS	HOURLY RATE	TOTAL (Hours X Rate)
PARTNERS	_____	_____	_____
MANAGERS	_____	_____	_____
SUPERVISORY STAFF	_____	_____	_____
STAFF	_____	_____	_____
OTHER (Please Specify)			
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____
TOTALS FOR FISCAL YEAR 2014	_____	_____	_____

FAILURE TO PROVIDE THE REQUIRED INFORMATION WITH THE SOLICITATION RESPONSE MAY AUTOMATICALLY DISQUALIFY THE RESPONSE FROM CONSIDERATION FOR AWARD.

**ATTACHMENT C**  
**RESPONDENT ESTIMATED HOURS AND FEES FOR SERVICES**  
**FISCAL YEAR 2015**

**PLEASE COMPLETE AND RETURN THIS FORM WITH THE SOLICITATION RESPONSE**

**SOLICITATION NUMBER:** \_\_\_\_\_

**RESPONDENT'S NAME:** \_\_\_\_\_ **DATE:** \_\_\_\_\_

TITLE	ESTIMATED HOURS	HOURLY RATE	TOTAL (Hours X Rate)
PARTNERS	_____	_____	_____
MANAGERS	_____	_____	_____
SUPERVISORY STAFF	_____	_____	_____
STAFF	_____	_____	_____
OTHER (Please Specify)			
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____
TOTALS FOR FISCAL YEAR 2015	_____	_____	_____

FAILURE TO PROVIDE THE REQUIRED INFORMATION WITH THE SOLICITATION RESPONSE MAY AUTOMATICALLY DISQUALIFY THE RESPONSE FROM CONSIDERATION FOR AWARD.

**ATTACHMENT C**  
**RESPONDENT ESTIMATED HOURS AND FEES FOR SERVICES**  
**FISCAL YEAR 2016**

**PLEASE COMPLETE AND RETURN THIS FORM WITH THE SOLICITATION RESPONSE**

**SOLICITATION NUMBER:** \_\_\_\_\_

**RESPONDENT'S NAME:** \_\_\_\_\_ **DATE:** \_\_\_\_\_

TITLE	ESTIMATED HOURS	HOURLY RATE	TOTAL (Hours X Rate)
PARTNERS	_____	_____	_____
MANAGERS	_____	_____	_____
SUPERVISORY STAFF	_____	_____	_____
STAFF	_____	_____	_____
OTHER (Please Specify)			
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____
TOTALS FOR FISCAL YEAR 2016	_____	_____	_____

FAILURE TO PROVIDE THE REQUIRED INFORMATION WITH THE SOLICITATION RESPONSE MAY AUTOMATICALLY DISQUALIFY THE RESPONSE FROM CONSIDERATION FOR AWARD.